

Civil Penalties Program

The goal of the BSEE OCS Civil Penalties Program is to assure safe and clean operations on the OCS. Through the pursuit, assessment, and collection of civil penalties and referrals for the consideration of criminal penalties, the program is designed to encourage compliance with OCS statutes and regulations.

2015 Civil Penalties Summary
Penalties Paid through the 2nd Quarter of 2015
 (1/1/2015 - 6/30/2015)

Operator Name and Case No.	Violation and Date(s)	Penalty Paid and Date Paid	Regulation(s) Violated 30 CFR)
Stone Energy Corporation G-2012-013	During the course of a BSEE investigation into an incident involving discarded equipment overboard, it was discovered that the operator failed to conduct operations in a safe and workmanlike manner by failure to follow company procedures and Stop Work Authority. They failed to prevent the overboard disposal of the wireline jarring tool into offshore water. December 29, 2011 (2 violations)	\$40,000 6/26/15	 250.107(a) 250.300(b)(6)
W&T Offshore, Inc (Helmerich & Payne) G-2012-034	During the course of a BSEE inspection, the inspector discovered the Coil Tubing BOP tests, dated June 4, 2012 for the coil tubing operations between June 4-8, 2013 were unsatisfactory and non-compliant. June 4-8, 2012	\$100,000 6/24/15	 250.448
Dynamic Offshore Resources, LLC (Wood Group Production Services) G-2013-042	During the course of a BSEE Inspection, it was discovered that the upper segment of the 3" blow down line off of a compressor discharge had broken and was not replaced or repaired. As a result, gas was being discharged at a lower elevation and closer to the compressor unit and a fired	\$490,000 6/10/15	 250.803(b)(1)(i)

	<p>vessel. Additionally, it was discovered that the second primary egress required on the manned facility was barricaded off due to grating sections missing from the path to the boat landing. This condition limited the personnel to having only a single means of egress.</p> <p>April 29-June 26, 2013</p>		
<p>SandRidge Offshore, LLC.</p> <p>G-2014-011</p>	<p>During the course of a BSEE investigation, there was property damage during drilling rig skidding operations. SandRidge failed to utilize a rig skidding procedure. Failure to utilize the correct skidding guide created a threat and property damage during each skidding operation since the rig package was installed.</p> <p>May 25–September 18, 2013</p>	<p>\$87,000</p> <p>2/25/15</p>	<p>250.107(a)</p>
<p>Black Elk Energy Offshore Operations, LLC</p> <p>G-2014-014</p>	<p>During the course of a BSEE inspection, it was discovered that a sump pump was found with the discharge valve in the closed position rendering the sump pump from operating properly.</p> <p>October 8, 2013</p>	<p>\$30,000</p> <p>5/12/15</p>	<p>250.300(b)</p>
<p>Black Elk Energy Offshore Operaitons, LLC</p> <p>G-2014-016</p>	<p>During the course of a BSEE inspection, there was severe corrosion and leaking oil problems from the Lease Automatic Custody Transfer skid. The Inspectors also observed other safety hazards on the platform.</p> <p>October 2, 2013-January 7, 2014</p>	<p>\$125,000</p> <p>1/09/15</p>	<p>250.107</p>
<p>Ensco Offshore Co.</p> <p>G-2014-020</p>	<p>During the course of a BSEE investigation into an Explosion and flash fire incident resulting in injuries, it was discovered that Ensco failed to operate in a</p>	<p>\$37,000</p> <p>2/27/15</p>	<p>250.107(a)</p>

	safe and workmanlike manner by failure to follow Safety Alert procedures and take precautions while charging the Composite Air Pressure Vessel. November 2, 2013		
ANKOR Energy, LLC (Ensco Offshore Co.) G-2014-026	During the course of a BSEE investigation of an injury, a floorhand sustained a finger injury during casing lifting operations onboard a jack-up rig during drilling operations. The injury was caused by an unsupported casing joint. February 14, 2014	\$35,000 6/11/15	 250.107(a)
Go Mex Energy Offshore, Ltd. G-2014-027	During the course of a BSEE inspection, it was discovered that the grating over the well bay had been removed. It was observed that the deck for the rig was lying on the grating on the main deck with access hatches open exposing a 5' x 5' open hole. The inspectors found that only three sides of the Texas deck were barricaded. No personnel were observed guarding the open hole to prevent other personnel working over the well bay from falling through the hole in the grating. May 6, 2014	\$30,000 5/21/15	 250.107(a)
SandRidge Offshore, LLC. G-2014-033	During the course of a BSEE inspection, it was observed that an electrical box in a Class I Division 2 area had exposed electrical wiring and severe corrosion. June 29-30, 2014	\$50,000 2/2/15	 250.114(c)
Chevron U.S.A. Inc. G-2014-035	During the course of a BSEE inspection, it was discovered that a section of handrail on the waiting deck under the heliport not secured. The socket sleeve for securing the handrail had been	\$350,000 4/27/15	 250.107

	<p>removed. The unsecured handrail caused a threat, which would have allowed a person to fall 40 feet to the next deck below.</p> <p>June 19-July 2, 2014</p>		
<p>Arena Offshore, LP</p> <p>G-2014-048</p>	<p>During the course of a BSEE investigation of an injury, it was discovered that a contract employee received burns from hot oil coming from a pressured vessel, which also resulted in a pollution event. At the time of the incident, the contract operator was attempting to replace a defective pneumatic temperature controller on a Heater Treater.</p> <p>June 23, 2014 (2 violations)</p>	<p>\$45,000</p> <p>4/30/15</p>	<p>250.107(a)</p>
<p>W&T Offshore, Inc</p> <p>G-2014-051</p>	<p>During the course of a BSEE investigation of an injury, it was discovered that a contract employee was evacuated after he received a laceration to his left index finger during well tripping operations. At the time of the incident, the contract employee was attempting to tighten the lifting sub on the drill collar.</p> <p>June 17, 2014</p>	<p>\$30,000</p> <p>4/30/15</p>	<p>250.107(a)</p>
<p>Bois d' Arc Exploration LLC</p> <p>G-2014-054</p>	<p>During the course of a BSEE accident investigation, it was discovered that while conducting drilling operations onboard a drilling rig, an employee was fatally injured after being electrocuted in an attempt to troubleshoot electrical issues on the cementing unit.</p> <p>January 26, 2014 (2 violations)</p>	<p>\$80,000</p> <p>6/2/15</p>	<p>250.107(a)</p> <p>250.107</p>
<p>Black Elk Energy Offshore Operations, LLC</p>	<p>During the course of a BSEE inspection, it was discovered the Motor Control Center (MCC) north</p>	<p>\$30,000</p> <p>5/14/15</p>	<p>250.107(a)</p>

G-2014-056	door, and the south double doors could not be opened from the inside of the building. The only access to and from the downstairs office in the MCC was through the gas generator building. In the event of a fire or sudden release of gas in the generator building, workers in the downstairs office of the MCC would be trapped, because the north and south exit doors were locked from the outside. October 2, 2014		
DCCOR, LLC P-2014-002	During the course of a BSEE inspection, it was discovered that several safety devices on the facility were bypassed without being properly flagged and monitored by DCOR personnel. April 14, 2013 (4 violations)	\$100,000 5/21/15	 250.803(c)(1)
DCCOR, LLC P-2014-003	During the course of a BSEE inspection, it was discovered that three safety devices were put into bypass and were not flagged. July 25, 2013 (3 violations)	\$75,000 2/25/15	 250.803(c)(1)
Total Penalties Paid: 1/1/2015 - 6/30/2015			
17 Cases: \$1, 734,000			

The purpose of publishing the penalties summary is to provide information to the public on violations of special concern in OCS operations and to provide an additional incentive for safe and environmentally sound operations.